App. F. IX-4

Previous References

1939.
( )

File No. 27-39

Serial Nos. 12-13

Letter References.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. —

Part B for Aug. 39

SUBJECT.

Resolution of the National Planning Committee re licensing to control establishments of new industries etc

WD 0418—GPB—22,500—29-8-36

Resolution of the National Planning Committee.—
Licensing the Establishment of new Industries

757 — 789

General and Revenue Secretariat.

File No. of 19 . [App. F. III-2

Serial No.

From the Director I & C,
Letter No. A1-38-39, dated 6-8-39

Forwards Copy of letter from the Hon. General Secretary, National Planning Committee, enclosing a resolution of the Committee in the matter of legislation to Control the establishment of Competitive industries with a view to avoid overproduction etc.

The purport of the Resolution is that no new factory should be allowed to be established and no existing factory should be allowed to be extended without a license granted by the Provincial Govt., and that suitable legislation should be enacted in the matter.

2 The Director is of the opinion that such legislation is desirable for regulating the establishment of industrial concerns and suggests that the form that such legislation should take may be examined by the Law Deptt. if Govt. agree to the above proposal.

Submitted for Orders.

BRG 15/8. Dew Hg) 16/8/39

3 The Sections of the Act dealt with by the Dir of I & C are not to the point, as they are intended to serve public convenience and not to prevent industrial competition. What action if any administrative or legislative may perhaps be awaited, before we

Flag B

The letter addressed by the Hon. Gen Secretary, N.P.C to the Dewan is also placed below as also the reply thereto

(Vide Flag T)

Letter to Govt

Flag T

1/8

16 AUG. 1939

GOVT OF MYSORE

NOTE—Contn. Sheet.

Licence to control establishment of new industries —
— National Planning Committee resolution

789

File No. 257 of 1939 — General and Revenue Secretariat.

Serial No.

Undesirable Legislation.

OFFICE OF THE
AUG 18 1939
No. 627

I member)

18/8/39

4 Nee
20/8/39

21/8/39

Submitted with a draft.

20/8

6 Issue 24/8/39

To. the Dir of Ptc. D 1179. 26-8-39 13

States the action taken by other administrations on the resolution may be awaited.

GENERAL SECRETARIAT
BOMBAY

757 C

789

Mr. C. E. NORONHA, M.A.,
Private Secretary.

PRIVATE SECRETARY TO THE DEWAN OF MYSORE

Camp Mysore,

7th August 1939.

D. O. NO. 935

OFFICE OF THE
FIRST MINISTER OF COUNCIL
AUG 11 1939
1383

Dear Sir,

I am desired to acknowledge the receipt of your letter of the 2nd instant to the Dewan forwarding a copy of a resolution passed by the National Planning Committee at its last sitting on the 8th June 1939 suggesting that the Provinces and States may, in their respective jurisdictions, exercise some measure of control on the growth of competitive industries with a view to avoid uneconomic inter-provincial competition, over-production, etc. I am to say the suggestion of the Committee will be borne in mind by the Government.

Yours sincerely,

sd. C. E. Noronha

GEN. & REVENUE SECRETARIAT
- 8 AUG. 1939
DEVELOPMENT BRANCH

K. T. Shah, Esq.,
Hon. General Secretary,
The National Planning Committee,
Old Custom House,
BOMBAY.

No. 936 Dt. 8th August 1939.

DEWAN'S OFFICE
8 AUG. 1939
No. 300

For info please
DW 11
12/8 11/8/39 WC 12/8 I member 14/8

Serial No.

The Director H.S. has also sent a copy of the Communication addressed to him and he has suggested that this question may be examined by the Law Deptt. (vide flag I placed below).

D.S.G. 6/8.

NOTE—Contn. Sheet

THE NATIONAL PLANNING COMMITTEE.

All Communications to be addressed to the Hon. Gen. Secretary.

TELEPHONE: 34325
TELEGRAMS: 'PLACONAT'

OLD CUSTOM HOUSE,

YOUR REFERENCE No. .....

OUR REFERENCE No. CIR

BOMBAY, 2nd August 1939

The Dewan,
Mysore State,
Mysore.

Dear Sir,

I am enclosing herewith a resolution on Licensing passed by the National Planning Committee, at its sitting on 8th June 1939. We have also addressed all the Provincial Governments, drawing their attention to this resolution and requesting them to take necessay action in the matter. The resolution was passed with a view to avoid inter-provincial competition, prevent monopolies, discourage the establishment of uneconomic units, and avoid over-production. It is also advisable to control the growth of foreign concerns in India, which avail themselves of the benefits of the Indian Fiscal Policy by styling themselves as 'India, Ltd.'

It is necessary, for effective planning in the future, that some measure is undertaken by the Provincial and State Governments as soon as possible to keep a measure of control on the growth of competitive industries. If no such step is taken immediately, it is likely that the work of the Planning Committee and the report it will make will be considerably handicapped.

I think it would be advisable if your Government were to take this very necessary measure as soon as possible. In the Provinces in British India, there are certain difficulties due to the Govt. of India Act, which may come in the way, but we hope that they will be overcome and the necessary steps taken at an early date. In the States, however, I feel there would be no difficulties, and it would be very helpful if you were to take a lead in the matter, which, I am sure, the British Indian Provinces will follow up.

Yours sincerely,

K. T. Shah

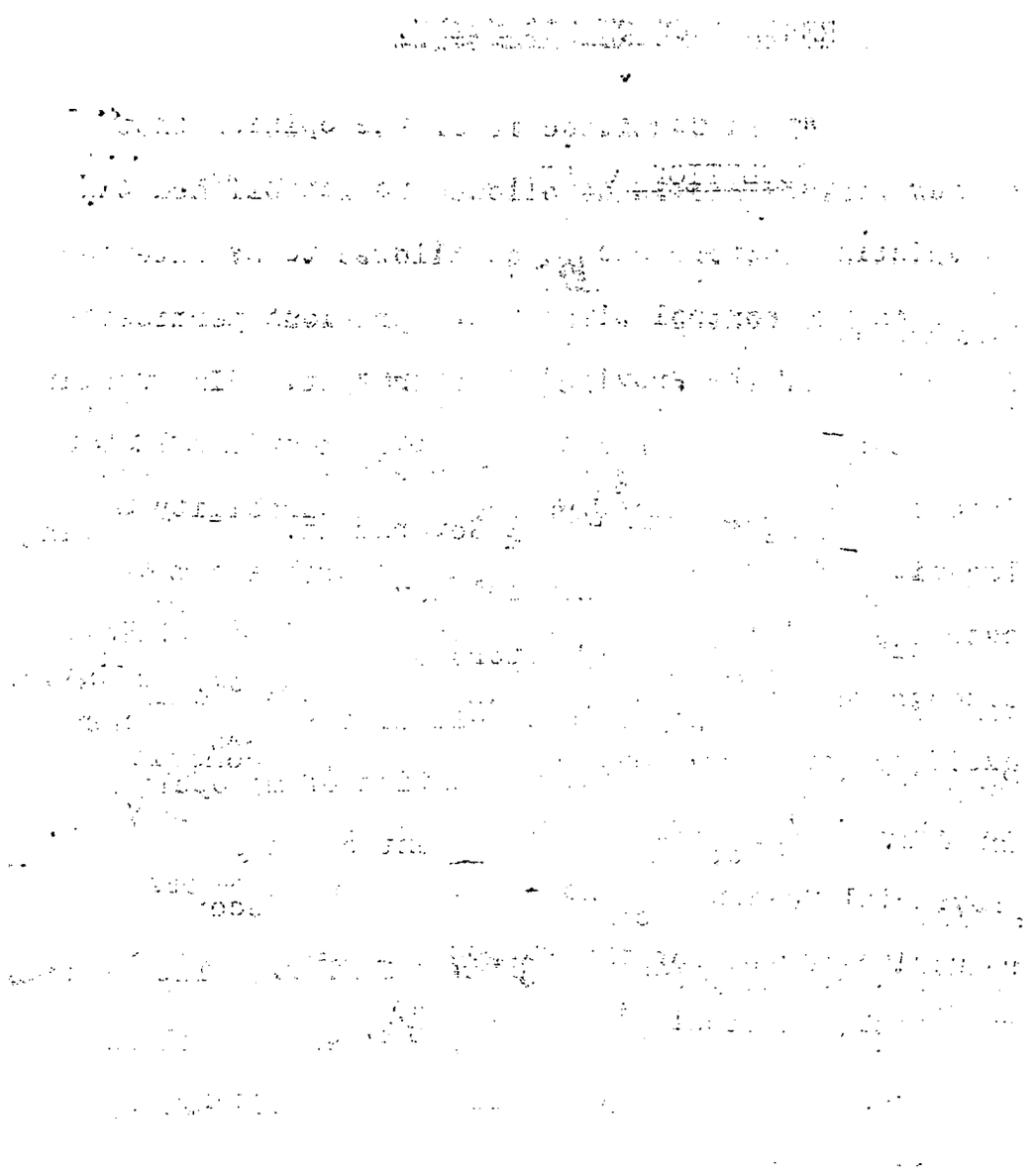
Hon. Gen. Secretary.

Encl:

GPH/SR

RESOLUTION ON LICENSING.

"This Committee is of the opinion that no new factory should be allowed to be established and no existing factory should be allowed to be extended or to change control without the previous permission in writing of the Provincial Government. In granting such permission the Provincial Government should take into consideration such factors as desirability of location of industries in a well distributed manner over the entire province, prevention of monopolies, discouragement of the establishment of uneconomic units, avoidance of over-production and general economic interest of the province and the country. The various provincial Government should secure for themselves requisite powers for the purpose, if necessary, by undertaking suitable legislation".



Tele { Phone No. 2004.
Grams—INDUSCOM.

In reply please quote number, date & short title

SECY. 7. AUG. 1939 GOVT OF MYSORE

757

GEN & REVENUE SECRETARIAT. 8 AUG. 1939 DEVELOPMENT BRANCH.

6

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE.

Yr 27-39-12

FROM (Name) M.S.Ramchendra Rao,Esq.,B.A.,
(Designation) Director of Industries and Commerce in Mysore,
Station Bangalore.

To

P.H.Krishna Rao,Esq.,M.A.,
Secretary to the Government of Mysore,
Development Department, Bangalore .

No. A1-38-39/NPC.

Enclosures Two.

Dated 6th August 1939.

SIR,

The National Planning Committee -- Resolution on "Licensing" to control establishment of new industries etc.

I have the honour to submit herewith, for the consideration and orders of Government, a copy of letter dated 2nd Aug.1939, which I have received from the Hon.General Secretary of the National Planning Committee enclosing a copy of the Resolution adopted at the sitting of the Committee at Bombay on the 8th June 1939, regarding the need to bring into force a system of "Licensing" by enacting, if necessary, suitable legislation with a view to controlling the establishment of competitive industries in order to avoid over-production etc.

In this connection I beg to state that the desirability for Government to take power to regulate the establishment of industrial concerns on the lines indicated in the accompanying Resolution perhaps deserves consideration. If Government agrees to this,the form that such legislation should take may be examined by the Law Department.

(PTO)

I may add that some kind of provision to regulate the starting of factories under licenses finds place in the several Municipal Acts (Vide Section 48, clause (1), sub-clause(2) and sections 158 and 159 of the Towns Municipal Regulation VIII of 1933 and Section 51, clause (1) sub-clause (aa) and sections 181 and 182 of Cities Municipal Regulation VII of 1933).

I have the honour to be,
Sir,
Your most obedient servant,

DIRECTOR.

SRS.

THE NATIONAL PLANNING COMMITTEE.

8

Old Custom House,

Ref. No.CIR. BOMBAY, 2nd August 1939.

M.S. Ramchendra Rao, Esq.,
Director of Industries,
Mysore State, Bangalore.

Dear Sir,

I am enclosing herewith a resolution on Licensing passed by the National Planning Committee, at its sitting on 8th June 1939. We have also addressed all the Provincial Governments, drawing their attention to this resolution and requesting them to take necessary action in the matter. The resolution was passed with a view to avoid inter-provincial competition, prevent monopolies, discourage the establishment of uneconomic units, and avoid over-production. It is also advisable to control the growth of foreign concerns in India, which avail themselves of the benefits of the Indian Fiscal Policy by styling themselves as 'India, Ltd.'

It is necessary, for effective planning in the future, that some measure is undertaken by the Provincial and State Governments as soon as possible to keep a measure of control on the growth of competitive industries. If no such step is taken immediately, it is likely that the work of the Planning Committee and the report it will make will be considerably handicapped.

I think it would be advisable if your Government were to take this very necessary measure as soon as possible. In the Provinces in British India, there are certain difficulties due to the Government of India Act, which may come in the way, but we hope that they will be overcome and the necessary steps taken at an early date. In the States, however, I feel there would be no difficulties, and it would be very helpful if you were to take a lead in the matter, which, I am sure, the British Indian Provinces will follow up.

Yours sincerely,

Sd/-K.T. Shah,

Hon.Gen. Secretary.

"Copy"

M Ramchendra

DIRECTOR
of Industries & Commerce.

RJV)

RESOLUTION ON LICENSING.

"This Committee is of the opinion that no new factory should be allowed to be established and no existing factory should be allowed to be extended or to change control without the previous permission in writing of the Provincial Government. In granting such permission the Provincial Government should take into consideration such factors as desirability of location of industries in a well distributed manner over the entire province, prevention of monopolies, discouragement of the establishment of uneconomic units, avoidance of over-production and general economic interest of the province and the country. The various provincial Government should secure for themselves requisite powers for the purpose, if necessary, by undertaking suitable legislation."

"Copy"

DIRECTOR
of Industries & Commerce.

RJV)

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. D 1179/1k 27-38-13 *Bangalore, Dated,* 25th August 1939.

From

The Secretary to the Government of His Highness the Maharaja of Mysore,
Development Department.

To

The Director of Industries and Commerce in Mysore,
Bangalore.

Sir,

SUBJECT: Resolution of the National Planning Committee on "Licensing" to control establishment of new Industries etc.

With reference to your letter No.A1-38-39/NPC. dated 6th August 1939, forwarding a copy of Resolution on the above subject, suggesting that legislative action may be taken to regulate the establishment of industrial concerns on the lines indicated in the Resolution and pointing out certain sections of the Municipal Acts which contain some provisions to regulate the starting of Factories under licenses, I am directed to state that the sections referred to are intended to serve public convenience rather than prevent industrial competition, and that before we undertake any legislation in the matter, the action taken by other administrations on the above resolution may be awaited.

I have the honor to be,
Sir,
Your most obedient servant,

For Secretary to Government,
Development Department.

SR/2

Appendix F G—1]

SUBJECT.....

.....

.....

Section 9/c
File No. 27-39
Serial No. 13

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *193* .

Date of issue 20/8/39

Signed by Mr George Mathew

I printing out ascertain sections of the Municipal Acts which contain some provisions to regulate the starting of factories under licence

List of enclosures.....

Copied by.....

Examined by.....

No. D 479

To

The Director &c

Subject Resolution of the National Planning Committee on "Licensing" to control Establishment of new Industries &c

Sir,

With reference to your letter No. A1-38-39/NPC dated 6/8/39, forwarding a copy of Resolution passed on the above subject, suggesting that legislative action may be taken to regulate the establishment of industrial concerns on the lines indicated in the Resolution, I am directed to state that the Sections of ~~Municipal Law~~ referred to by you are intended to serve public Convenience rather than prevent industrial Competition, and that before we undertake any legislation in the matter, the action taken by other Administrations on the above resolution may perhaps be awaited.

I have &c.

Secretary to Govt.
Dev Dept.

WD 0563—GPB—30,000—6-1-39

BRS 22/8/39.